

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

JNNURM – Implementation of State Level Mandatory Reforms – Preparation of New Rent Control Legislation – Entrustment of study on fixation of standard rent of the buildings in Greater Hyderabad Municipal Corporation Area to Center for Economic and Social Studies (CESS) – Orders – Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UBS) DEPARTMENT

G. O. Rt. No. 1452 MA

dated:- 02.11.2009

Read the following

1. Govt. D. O. Lr. 1045/UBS/2005 MA dated 29-9-2009 addressed to Director, CESS
2. From Director, CESS, Lr No. 583/2009-10 dated 20-10-2009.

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ORDER:

Government of India has launched Jawaharlal Nehru National Urban Renewal Mission (**JNNURM**) in the year 2005-2006 at an estimated cost of Rs.50,000 crores extending to seven years to encourage cities to initiate steps to bring about improvement in the existing services in a financially sustainable manner. JNNURM requires the State Governments to undertake seven mandatory reforms and ten optional reforms at State Level over a period of seven years to have access for financial assistance from Government of India.

2. Establishing new Rent Control Legislation is one of the Mandatory Reforms committed by Government of Andhra Pradesh to be completed by March, 2010. Government of AP have entrusted the preparation of Rent Control Legislation to NALSAR University of Law. Fixation of standard rent is one of the most important items in the Rent Control Legislation. NALSAR University of Law has tentatively suggested that standard rent may be calculated on the basis of ten percent per annum of the aggregate amount of cost of construction and the market value of the land comprised in the premises on the date of commencement of the construction. It is observed that a rationale basis has to be worked out for fixation of standard rent at a specified percentage of the capital value of the building.

3. It is proposed to conduct a study for fixation of standard rent of buildings in Greater Hyderabad Municipal Corporation (GHMC) area at a percentage of the capital value of the building. The Director, CESS was requested in the reference first read a above to inform their willingness to takeup the study as per the draft TOR and furnish proposal. The Director, CESS has submitted a proposal to Government for the study on fixation of standard rent of buildings in GHMC area at a percentage of the capital value of the buildings at a cost of Rs. 6.70 lakhs to be completed within two months from the date of receipt of the order.

4. The Government after careful examination, decided and accepted the proposal to entrust the study on fixation of standard rent of buildings in GHMC area at a percentage of the capital value of the buildings to Director, CESS at a cost of Rs. 6.70 lakhs as per the proposal given by CESS and draft TOR communicated to CESS in the reference first read above, to be completed within two months from the date of receipt of the order.

5. The MD, APUFIDC is therefore, requested to release an amount of Rs. 6.70 lakhs to Director, CESS as per the installments mentioned below based on the invoices forwarded by MA&UD Department.

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| i. Payment with the sanction order | - | 40% of the amount. |
| ii. Completion of field work | - | 30% of the amount. |
| iii. Submission of draft report | - | 20% of the amount. |
| iv. Submission of final report | - | 10% of the amount. |

6. The Director, CESS is requested to enter into contract with MA&UD Department for completion of the study as per the proposal submitted by CESS and as per the draft TOR given by MA&UD Dept. with the reference first read above.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

PUSHPA SUBRAHMANYAM
SECRETARY TO GOVERNMENT

To

The Managing Director, APUFIDC Limited, Hyderabad.

The Director, Center for Economic and Social Studies, Begumpet, Hyderabad.

Copy to;

The Commissioner and Director of Municipal Administration, Hyderabad.

The Engineer-in-Chief (Public Health), Hyderabad.

The P.S. to M(MA).

The P.S. to Secretary to Government, MA & UD Department.

The P.A. to Special Secretary to Government.

//FORWARDED BY ORDER//

ASSISTANT DIRECTOR